Protection to Small and Cottage Industries

709. KUMARI SUSHILA TIRIA: Will the Minister of INDUSTRY be pleased to state:

(a) whether any steps have been proposed to be taken to provide protection to small and cottage industries in Orissa;

(b) if so, the details thereof; and

(c) if not, what are the reasons therefor?

THE MINISTER OF STATE IN THE DEPARTMENT OF INDUSTRIAL DEVELOPMENT IN THE MINISTRY OF INDUSTRY (SHRI M. ARUNACHALAM): (a) to (c) The responsibility for development of village and small industries including cottage industries rests with the State Governments under the constitution. However, the Central Government provides various forms of support for promotion, development and protection of these industries, to the State Governments including Orissa. The policy and other measures taken by the Central Government include provision of suitable outlays under the Five Year Plans on annual basis for creation of infrastructural facilities in the States for supply of essential inputs, credit, technical assistance and marketing of finished products. Besides, certain lines are reserved for production exclusively in the small industries sector and various fiscal and financial concessions are also extended. A price preference scheme for purchase of stores for the Government Departments and public enterprises is also under the implementation. As on going centrally sponsored scheme, for setting up of District Industries Centres to provide assistance to the village and small industries sector under one roof is under implementation during the Seventh Plan also. Financial assistance of Rs. 83.66 lakhs and Rs. 83.25 lakhs has been extended under the centres to the Government of Orissa during 1985-86 and 1986-87 respectively. A provision of Rs. 22.50 crores exists in the Seventh Plan for development of village and small scale industries in Orissa.

Working of public sector undertakings

710. SHRI D. B. CHANDRE GOWDA:

SHRI HARVENDRA SINGH HANSPAL:

Will the Minister of INDUSTRY be pleased to state:

(a) whether the Prime Minister has recently criticised the working of the public sector undertakings in the country;

(b) whether it is a fact that the public sector undertakings are wasting nation's wealth instead of generating it;

(c) whether Government propose to examine the working of the public sector undertakings to minimise the expenditure etc.; and

(d) if so, the details of the steps Government propose to take to overhaul the public sector undertakings?

THE MINISTER OF STATE IN THE DEPARTMENT OF INDUSTRIAL DEVELOPMENT IN THE MINISTRY OF INDUSTRY (SHRI M. ARUNACHALAM): (a) and (b) Perhaps the Hon'ble Members are referring to the news item appeared in the press on 23rd December, 1987. It is not true to say that the public sector is wasting nation's wealth as it will be seen from the Public Enterprises Survey 1986-87 placed on the Table of the House on 25th February, 1988 that the overall net profits of the Central public sector undertakings have increased from Rs. 1172.44 crores in 1985-86 to Rs. 1769.08 crores in 1986-87.

(c) The Government examines the working of the public sector periodically and the emphasis is to control the expenditure, *inter-alia*, in the folliwing major areas:

(i) Administrative and other overheads expenses on advertis ements, publicity, public relations; entertainment etc. by adopting strict budgetary control in these areas and also by observing strict economy. The enterprises have been advised to keep their expen-

diture in these areas to the barest minimum.

(ii) Cost reduction and cost control by resorting to such techniques as value engineering, value analysis, systems and methods improvement of productivity and efficient and betterment of capacity utilisation etc. and

(iii) At the project stage, control of time and cost over-runs is done by close supervision, monitoring and coordination as also by ensuring that the project reports perepared are thorough and comprehensive.

(d) The details of the steps taken by the Government to improve the working of the public sector udertakings are given at page-179 of Volume-1 of the public Enterprises Survey 1986-87 placed on the Table of the House on 25th February, 1988.

Review of industrial sickness

711. SHRI PARVATHANENI UPENDRA: Will the Minister of INDUSTRY be pleased to state:

(a) whether Government have made a review of the industrial sickness; and

(b) if so, what steps are being contemplated for checking the growth of industrial sickness and helping industrial revival?

THE MINISTER OF STATE IN THE DEPARTMENT OF INDUSTRIAL DEVELOPMENT IN THE MINISTRY OF INDUSTRY (SHRI M. ARUNACHALAM): (a) and (b) The Reserve Bank of India had carried out a survey regarding the extent of industrial sickness in the year 1979. The Reserve Bank of India are carrying out a fresh survey covering 2000 units in the large and medium sector.

The Reserve Bank of India have issued guidelines to the banks for strengthening the monitoring system and also indicating the parameters within which banks could grant reliefs and concessions for rehabilitation of potentially viable sick units without a reference to the R.B.I. both in the large scale and small scale sector. In addition, Government have enacted a comprehensive legislation, namely "The Sick Industrial Companies (Special Provisions) Act, 1985, which provides for setting up of a quasi-judicial body designated as the Board for Industrial and Financial Reconstruction (BIFR) to deal with the problems of sick industrial companies in an effective manner. The BIFR has become operational with effect from 15th May, 1987.

The Margin Money Scheme which was introduced with a view to supplementing the efforts of the State Governments in reducing the incidence of sicknes in small scale sector, has been liberalised as a result of which the maximum amount of assistance per unit available to sick small units for rehabilitation has been increased from Rs. 20,000 to 50,000.

Presale and after-sale service of Maruti vehicles

712. SHRI PAWAN KUMAR BANSAL: Will the Minister of INDUSTRY be pleased to state:

(a) what is the number of vehicles released per month to each of the dealers of Maruti Udyog Limited in Delhi;

(b) whether the allotment to and delivery of a large number of vehicles by any dealer compromises the standard of pre-delivery inspection supposed to be carried out by the dealer; and

(c) what is the system adopted by the Maruti Udyog to ensure that the dealers carry out proper pre-sale and after-sale service?

THE MINISTER OF STATE IN THE DEPARTMENT OF INDUSTRIAL DEVELOPMENT IN THE MINISTRY OF INDUSTRY (SHRI M. ARUNACHALAM (a) There are at present dealerships in Delhi and the average monthly sale of vehicles for the last 10 months has been 2641 per month. The vehicles to dealers are released in proportion